



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

April 7, 2010

Richard VerWayne, Owner & CEO
Magnus Mobility Systems, Inc.
1912 Business Center Drive
Orange, CA 92867

Dear Mr. VerWayne:

RE: Final MONITORING VISIT REPORT FOR MAGNUS MOBILITY SYSTEMS RETRAINING SB ET08-0459

Date of the Visit:	2/25/10
Beginning/Ending Time:	10:00am – 11:00am
Date of Last Visit:	3/23/10
Visit Location:	Via Teleconference
Persons in attendance:	Paula Harrisberger, Quality Manager, Magnus Mobility Systems, Inc. (MMS); and Suzanne Godin, ETP Contract Specialist
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	5/5/08-5/4/10	Agreement Amount:	\$19,800
Training Start Date:	5/22/08	No. to Retain:	15
Date Training must be Completed:	2/4/10	Range of Hours:	8-60
Type of Trainee:	Retrainee	Weighted Ave. Hours:	60

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

www.etp.ca.gov
ETP (04/15/05)

FINAL REPORT SUMMARY:

• AGREEMENT HISTORY

Magnus Mobility Systems, Inc. (MMS) is a small business engaged in the assembly and distribution of casters, levelers, wheels and gas springs. The Agreement was approved at the April 2008 Panel Meeting and training began on 5/22/08. All training was completed on 2/2/10 which allowed for the 90-day retention period to be completed by the term ending date of the Agreement (5/4/10).

• INTERVIEW WITH THE CONTRACT REPRESENTATIVE PAULA HARRISBERGER

Ms. Harrisberger reported that balancing the needs of production and training was more difficult than anticipated when the training plan was designed for your small business. Once the economy began its downward spiral, MMS was forced to become more aggressive in its marketing efforts to generate and retain business; therefore, the company did not have the luxury of pulling sales people away from the field [for training] as often as needed. Ms. Harrisberger added that the training plan called for computer skills training to be delivered by an in-house trainer who ended up going out on family medical leave. The loss of a dedicated computer skills trainer resulted in far fewer training hours being delivered than originally planned for. There were no other company personnel available to deliver the training; consequently far fewer hours were delivered in computer skills than originally planned.

In spite of these challenges, Ms. Harrisberger reported that the ETP-funded training had been a beneficial and positive experience for MMS and that the company would not have been able to deliver the training without the assistance of ETP. Ms. Harrisberger added that the skills sets acquired from the training have helped the company survive in the current economy.

The ETP training concentrated on customer service, product knowledge, computer skills, process improvement, advanced Microsoft office, and the latest upgrade of the company's MRP and customer service software. Having an ETP Agreement forced MMS to make a commitment to schedule and follow through with the delivery of formal training. Your employees appear to be more invested in the company, interdepartmental communication has improved, and your employees have begun functioning as a team.

The ETP funds also allowed you to cross-train your employees to perform multiple functions and work as lean as possible. Your warehouse personnel received computer skills training concentrating on the MRP system and have become more comfortable with the transition to a "paperless trail". Lastly, the customer service training gave your employees the confidence and acumen to successfully market your company in the current economy.

Lastly, Ms. Harrisberger reported that the ETP on-line record keeping system was extremely user friendly and that Ms. Godin was always available to provide technical assistance when necessary.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Trainees Started Training:	12	Completed Training:	12
Trainees Enrolled:	13	Completed Retention:	30
Dropped Following Enrollment:	1	In Retention Period:	12
No. Completed Minimum Reimbursable Hours :	12		

As detailed above, current records show that 12 trainees completed training and are currently in the 90-day retention period.

The Agreement's training plan specified that trainees would be provided with a minimum of 8 to a maximum of 60 hours of class/lab training. Ms. Harrisberger provided Ms. Godin with projected statistics for the closeout of the Agreement. According to the records at the time of this final meeting, MMS expected to retain a total of 12 trainees (80 percent of planned retentions) who had completed the specified range of class/lab hours (8-60) and are currently in their retention period. MMS tracked 326 eligible hours on the ETP class/lab tracking system for the aforementioned 12 trainees. Therefore, MMS is eligible to earn \$7,172 (36 percent of the encumbered amount) if all other agreement conditions are met. Current records show that MMS has received \$2,970 in unearned progress payments.

Ms. Godin reminded Ms. Harrisberger that the closeout invoice should be submitted no later than 30 days after the end term date of the Agreement (5/4/10); **therefore, the fiscal closeout invoice should be submitted by 6/4/10.** If you are unable to submit the closeout invoice by that date, a request for an extension must be submitted to ETP's Fiscal Unit Manager, Kulbir Mayall.

ATTENDANCE ROSTERS:

Attendance Rosters reviewed:	10/03/09-2/02/10	Rosters reviewed contained all the required information per Title 22, California Code of Regulations, Section 4442.	YES
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The contract analyst conducted a 100% review of rosters from 10/03/09-2/02/10 for all trainees.

INVOICES:

No invoices had been submitted since the last monitoring visit.

AUDIT:

MMS will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable.

Listed below are types of records typically requested during an ETP field audit:

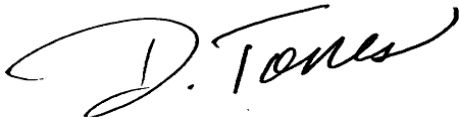
- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:


Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Suzanne Godin at (619) 686-1918 or at sgodin@etp.ca.gov within ten (10) working days from the receipt date of this letter.

Sincerely,



Diana Torres, Manager
San Diego Regional Office



Suzanne Godin, Contract Analyst
San Diego Field Office

cc: Kulbir Mayall, Fiscal Manager
Transparency File
Master File
Project File